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## **Breakdown**

Today there are many interesting trends that can be noted around the globe. All must be at least to some degree take notice of the global financial meltdown. The crisis is still very much upon us and the effects of it, economically politically and spiritually will be with us for many years. These effects can only be prognosticated with a vagueness that time obscures from all of us. What the future holds is not within the purview of mere mortals, though from time to time God has raised up those who will warn us when our behavior gets out of line and that it can have a devastating effect on our future. These men were called prophets. While I certainly do not call myself one, it is within that ambiguity between study, analysis and a deep and enduring love for and search for the truth, *the absolute truth* that this paper is written. Truth reveals all and when one is capable of grasping it, understanding it without fear, prejudice and willful ignorance. Then can one can begin to see into the sands of time. It is a rare soul that can do this, very rare. I endeavor to be that kind of writer, analyst, person and Christian. Truth and the revelation of it were one of the main things the ministry of Christ was all about. Truth: divine and otherwise.

*I am the way, the truth and the life.* – Jesus Christ

In the coming years what we have seen in Riga, Paris and a dozen other European cities as well as a host of Chinese ones will probably be repeated with greater and greater ferocity as global leaders attempt to deal with an economic situation that is bound to bring in serious discontent and unrest. This crisis is going to be worse than the great

depression. Much, much worse. It didn't have to be, but poor policy decisions made from the beginning of this crisis and the inability of sound advice to actually reach the ears of the powerful prevented real, crisis solving measures from being brought to bear to bring a positive resolution to this most serious financial crisis. But before we get to the real issue of this paper on how nations will deal with this crisis, a description of 'why' is in order.

First, and most importantly, policy decisions up until now have been made primarily to make worthless derivatives and toxic assets worth something. How? By sending trillions over to the banks to re-value the valueless and reflate that which should never have been inflated in the first place. They are repeating the same mistakes that brought this crisis on. Not only that, they are throwing good money after the bad and destroying our currency in the process. In a nutshell that is why there is no possible way the track we have been on in solving this crisis will work. Yes, there will be some momentary rallies in the markets and some sectors of the economy may pick up steam. But overall, the global economy, especially the Western part of that economy is in an uncontrollable tailspin and is heading for a disaster that not even those who experienced the Great Depression understand. New calls for a new monetary order are now being heard in the halls of power. Soon, the G7, G10 and G20 will put forward a plan to reorganize the entire global economy. I am not privy to the plan, but I can tell you that whatever it is, the US is going to see a very, very serious decline in its standard of living. There is just no way around it. The days of the US consuming the world's goods with Treasury paper are over and are being sabotaged by the Fed and the Treasury and their reckless monetary policy.

So America will see very serious disruptions and sooner rather than later. But Russia, China, the EU as well will see major changes in its financial system and with that will almost certainly come political changes as well. How this all shakes out in the end, no one can say. But what follows is a '*through a glass darkly*' look at the future.

## **China**

*“Heaven is high and the Emperor is far away.”*

- A Chinese Proverb

The world's workers are under assault and are being messed over by a system that is going bankrupt. It does not matter if they are in China, New York, Paris, Moscow or

Kiev. This crisis is making life very difficult for ordinary people from all walks of life. In China, they are predicting over 20 million new unemployed this year. This is a staggering number of people and is greater than the entire population of Denmark, Norway and Sweden combined. China has already had a spate of some very serious unrest, much of it suppressed out of official Chinese press. Serious rioting has been aimed at local officials, many of whom are corrupt, to local law enforcement. Yet here, especially in China it is important to note that long before this crisis, social unrest in China was a recurring problem that authorities had difficulties in finding a long term solution to. What is interesting about the Chinese example is that even while living standards were becoming much higher, so did the number of protests.

*According to Chinese Communist Party sources, social unrest has grown by nearly 50% in the past two years, culminating in a particularly violent episode in December 2005. China's Public Security Ministry declared that there were 87,000 cases of "public order disturbance" — including protests, demonstrations, picketing, and group petitioning — in 2005 compared to 74,000 reported cases in 2004.<sup>1</sup> In 2003, the PRC government reported more than 58,000 "major incidents of social unrest" involving an estimated 3 million to 10 million persons, of which 700, or less than 2%, involved clashes with police,<sup>2</sup> while a Hong Kong-based labor rights group estimated that the number of labor demonstrations reached 300,000 that year - [CRS \(social unrest in China\)](#)*

The reasons for protests were varied some dealing with pay and working conditions but often from environmental concerns that were not addressed. But often, the protests were based on a sense of deep economic split between the have's and the have not's. Some stem from property and land rights issues due to industrialization and the encroachment of large facilities on private property and farm land.

Here let us note that China's government while at much more open than it was 30 years ago, is still shrouded in much secrecy and making predictions of their actions based on insider information is not within this analyst's capability. But what I can do is look at the past and take an educated look at future conditions and determine what kind of measures China is likely to take. But let us start by making a key observation about China.

China has two major concerns that top their national agenda that Western nations have, but are not nearly as critical and thus do not take the kind of attention as they do in China. The first is social stability. Chinese domestic policy is very concerned with this issue and decisions that are taken always take into account the effect on that stability. This is a big key to understanding future Chinese domestic policy. The second factor that China places much higher on its security agenda is demographics<sup>1</sup>. These two

<sup>1</sup> A long discussion of this subject is beyond the purview of this paper. But this factor alone drives more of Chinese

factors need to be kept in mind when attempting to ascertain Chinese policy. Those who look at China should keep these things in mind when attempting to understand her moves. While many do look at the social stability aspect, the demographics are usually not fully understood and while many have not been able to ascertain it, this issue has been in the headlines across America but never put in its proper context.

Today the series of economic/financial problems we see in China have caused a large number of bankruptcies, factory closures. We are seeing people who were just beginning to taste the good life that are now having their livelihoods and dreams dashed. The Chinese have no concrete policy responses to these protests that have proven consistently successful. While currently only 'official' protests are allowed This is primarily because the Chinese government is very sensitive to open displays of brutality and repression and seek to prevent it. Thus allowing only certain kinds of protests. China is very concerned about its human rights image abroad and while at times publicly contemptuous of foreign meddling into its internal affairs, it indeed takes that criticism very seriously. But the Chinese will have to come to terms with yet more unrest as the months drag on and improved ways of dealing with workers movements (which ironically is what the Communist party was supposed to be about, the workers) and this kind of unrest as its capitalist experiment is tested to the full in the midst of this crisis.

What is striking about much of the protests is that they are usually very well organized and start off in many instances, using the courts, petitions and other legal means to get redress to their grievances. Often the Internet is used to connect with other groups with similar problems across China.

How is China going to deal with irate factory workers, angry civil servants, unemployed farmers, ill treated veterans, and those who have had their lands seized as well as millions of unemployed migrant workers in this serious downturn? What kind of tactics will be employed and how successful will they be?

First widespread, uncontrollable unrest in China is not a foregone conclusion. While it is true that China has had some very serious outbreaks of violent dissent, the fact that these protests are not organized nationally (though some are regionally) makes it easier for Chinese authorities to deal with the situations as they arise. It is also very important to note that China has experienced widespread job losses before. They came out of it without a challenge to central authority. There are some good reasons to believe they will do so once again. First, this crisis is not centered in Asia. It is centered squarely in

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policy, both open and covert than is generally known. Suffice it to say that Chinese authorities see the need to take demographics into account when competing for resources with large population regional powers such as India, Indonesia and others. Another key factor to keep in mind is this: Western notions of morality do not guide policy decisions taken in secret.

America and to a slightly lesser degree Europe. Asia is getting hit hard in its export sector and as long as she is dependent primarily on the US market, she will have considerable trouble. The track that China is going to take in the medium term is to maintain the symbiotic relationship with the US for the time being. Continue to fund America's trade deficit by large Treasury purchases and hope the system mends itself once the toxic assets have been dealt with.

I do not mind telling you that this plan is not going to work. The system cannot mend itself and is in disparate need of total restructuring. But this is not going to happen until there are more dislocations and stronger political pressure is brought to bear on national leaders world wide. This will come, in my estimation, but not right away. It is in that period of time between collapse and reorganization that this we are dealing here. How long that period is I do not know, but my guesstimate is that it will be a few years. Thus the worst case scenario is in my estimation, the most likely one. Such widespread displacements that are sure to come because of this collapse will force China to show the 'police state' side of its face.

The Chinese already know that they face unprecedented challenges and the official body that coordinates between the police and state security agents has said as much. And other security officials have made plan that China needs to “*boost abilities to handle emergencies and strengthen professional units to as to counter terrorism and to prevent the occurrence of violent and terrorist incidents.*”<sup>2</sup> How these units are trained and what tactics they will be directed and allowed to employ will be critical in the months ahead.

Already the Communist party is looking seriously at reforming the cadre of Civil Servants across China. Hu Jintao and Wen Jiabao hare launching a broad effort of reform and are seeking out

*...chiefs of cities, counties and townships to periodically meet “petitioners”—a reference to peasants and workers with grievances against the regime— so that grassroots cadres can improve their “constituency” work through personally defusing what party officials call “inner contradictions among the people” -*  
[Jamestown](#)

As the above linked article explains, this in reality is an old Chinese tradition dating back centuries. This is merely providing a forum for peasants to bring forth their grievances to local leaders. Here the real emphasis seems to be more on official corruption than anything else, a problem that is very serious in China. These measures will probably have limited effect on protests that stem from widespread unemployment,

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<sup>2</sup> Xinhua – Feb 1, 2009

where a forum to discuss the problem is not required and the solutions are beyond the ability of the authorities to implement.

*For the past month or so, cadres in the two top-most organs in charge of internal security - the CCP Central Commission on Political and Legal Affairs (CCPLA) and its sister unit, the Central Office for the Comprehensive Administration of Law and Order (COCALO) - have held marathon sessions on how to nip socio-political instability in the bud.*

*The COCALO, which coordinates the activities of the police, state security agents and judicial departments, has admitted that Beijing faces unprecedented challenges in safeguarding stability, deemed the party's "overriding task".*

*COCALO director Chen Jiping indicated that the year 2009 would witness "an increase in social risks and the doubling of contradictions even as the law-and-order scenario becomes more severe and complex". - [Asia Times](#)*

Here we see that Chinese leaders are making preparations for what is certainly poised to be very difficult time on the internal stability front and the communist party is going to prepare itself thoroughly for it. Here is where I depart from those who believe that China will escape at least *some* measure of widespread unrest during this economic crisis. We have already seen a serious increase in such unrest during the boom years as many social, legal and economic factors brought a great deal of discontent to ordinary Chinese. Riots, demonstrations and mayhem of various stripes were quite evident and widely written about. This is a trend China was not able to fully contain or discourage. I see no reason that new measures will be more successful. In fact, measures that once proved effective might even backfire.

It was in the aftermath of the Tibetan crackdown that a fresh new look began to be undertaken in China to protect public order. At that time, Chinese authorities were not only looking at what happened in Tibet (the most brutal parts of which have not been told to western readers<sup>3</sup>) but were looking at a whole host of issues not least of which was the (then) upcoming Olympics.

What we saw in Tibet and later with security arrangements in the Olympics was the rise

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<sup>3</sup> We are talking about the wholesale extermination of whole temples and their priests. It was much more brutal than those of us in the west have been told. The same pattern of brutality was seen in Burma as well and yes, the Chinese had a very big hand in that as well. So if brute force and mass killings are in order, the Chinese will indeed use that tool.

of the People's Armed Police (PAP).

*The 'duty' of the approximately 800,000 Chinese PAP troops, the majority designated for 'domestic security' roles, recently caught the attention of China watchers. Reports surfaced in prominent American and European press outlets that the blue track-suited Olympic flame 'attendants' were drawn from the PAP – the same organization that led the crackdown of protesters in Tibet. Back in January 2006, two PAP senior generals published an article in the influential magazine Qiushi stating that the PAP should “become an extremely combat-effective force to deal with sudden incidents.” Many China watchers had previously focused most of their attention on the People's Liberation Army (PLA), arguing that the process of the PLA becoming a modern, professional army of the state rather than one dealing with domestic problems and serving the Chinese Communist Party (CCP) was evolving albeit slowly. Analysts knew that many PAP troops, possibly around half, were composed of former PLA personnel drawn from fourteen divisions during the latter's downsizing from the 1990s onwards. But even if the PAP received the unwanted “dregs” of the PLA as some experts quipped (New York Times, March 28, 1999,) little was known about this more secretive entity. - [PAP Replacing PLA As the Party's Army](#)*

Here we see that the Chinese have been reorganizing their internal security forces. Almost certainly as result of what happened in Tibet. These forces must remain loyal to the central authorities (party or state<sup>4</sup>) for China to have a chance at remaining stable in the kinds of chaos I think is likely to sweep the globe. But this loyalty is not a foregone conclusion, not in my estimation. The fact that there is 'joint leadership' of these organizations seems to indicate a 'tension' between the party and the state and a fear that one or the other may become too powerful should they have total control over the PAP. Second is the issue of corruption. PAP troops have been used for purposes they were not originally intended such as tax collection, land seizures and 'debt collection'. Who these men in various regions are primarily loyal to may only be determined in a situation where chaos reigns. Are they more loyal to local authorities? The Party? Crime Bosses?

When you have a organization with nearly a million members, strict vetting and background checks simply cannot be performed or even relied upon if they were performed. Simply put, it a time of economic crisis and social unrest, local leaders may attempt to usurp central power, especially if there is a strong propensity to do just that among the population. This is not unheard of in Communist China and local officials simply ignoring laws and decree's from the central government has been noted since the times of Mao. It could very well be repeated here should the situation get out of control in the provinces and central authority is perceived as either too weak, impracticable or

4 Here it should be noted that loyalty to one does not necessarily mean loyalty to another.

central policies if implemented having a deleterious effect on personal profits of corrupt officials or criminal gangs.

Can China disintegrate? Is that my thesis? No, I do not think China will disintegrate, though in some regions where Islam is prominent there may be a tendency along those lines. No my point is that somewhere along the way some regions will probably attempt to take a degree of autonomy that the Central government may not permit. This may lead to serious unrest and may pit local officials against those more loyal to the central government. What is more likely to occur is a level of brutality heretofore unseen since the [great leap forward](#). A time when climate conditions and economic factors lead to a major disaster for China. So I think serious unrest and perhaps civil conflict may ensue, depending on the level of economic disruption experienced in China, a level I think will be very high. Also serious missteps by central authorities can provoke a backlash as much as this crisis can and the two together is an explosive combination.

## **Russia**

*We don't let them have ideas. Why would we let them have guns?*

- Joseph Stalin

Russia has long and 'cherished' tradition of political repression. While today there is a clearly move towards greater democracy and openness, the brute hand of the Russian government cannot be understated. It is ever present. It is hid behind a facade of western institutions and rhetoric, but the harsh reality is that Stalinist methods of dealing with unrest and dissent have not been removed, but rather have been improved.

Putin's time if office has done much to bolster the nations ability to deal with unrest. But here we must digress for a moment and get some definitions. Terrorism and unrest are not the same thing in the minds of most people. But in the eyes of states with repressive pasts, they are essentially one in the same. Any threat to central power is often dealt with as terrorism. This is probably true to a large degree with Russia, despite the progress she has been able to undergo for the past 20 years. This is not to say that Russia does not have to deal with those elements we in the west would deem as terrorists. They do, perhaps more so than America. The point here, and it is an important one, expediency may not always allow for such distinctions to be made for policy's sake.

Such a distinction is probably not lost on most readers, but is made for those who may

not see the difference.

In 2006 Vladimir Putin signed into law a new counter terrorism law.

*The new law is part of a larger legislative package that also includes several revisions of the penal code and of the criminal procedure law. Most importantly, it incorporates President Putin's decree of 15 February 2006, in which he ordered the establishment of a "National Counter-Terrorism Committee" under the leadership of FSB director Nikolai Patrushev. The "National Counter-Terrorism Committee" is expected to replace the older "Federal Counter-Terrorism Commission," moving responsibility for terrorism from the prime minister to the FSB. - [Russian Analytical Digest No. 2](#)*

This law significantly expanded the central governments ability to limit civil liberties. It also gives the state a great deal of power in using all of the tools of repression at its disposal. This was due to a significant increase in the number of terrorist attacks in Russia that culminated in the 2004 Beslan attack. The new law puts the [FSB](#) firmly in control. [A structural overview of the FSB can be found here](#). Counterterrorism is top of their agenda. Thus Russia, under Putin's preparations is ready to defend central power against any force, legitimate or otherwise which may threaten is hold on that power. The Beslan attack exposed some extremely serious deficiencies in how the state handled internal conflict. Before Beslan there were three agencies that dealt in this area, now there is one, the FSB

What this broad overview means is simple, Russia is prepared for unrest and will take the appropriate measures to quell dissent, public anger and terrorism using well worn and successful methodologies used since the days of the Czar's. The Russian's have always been extremely, brutally efficient in matters of State Security and today is no different.

Here is a taste of what I mean. Often the wave of the future can be told as much through organizational charts as through the personnel who are chosen to run them.

*This directorate (International Terrorism*

*Russian journalists who can survive in the current system know what the limits are. The key taboo topics are corruption among the elite and Chechnya, particularly the abuses by the Russian troops and pro-Moscow Chechens, according to Alexei Venediktov, chief editor of Ekho Moskvy, a radio station whose journalists express a wide variety of viewpoints. Like Politkovskaya, Paul Klebnikov may have been looking into corruption in Chechnya before being murdered in July 2004. On October 16, the authorities shut down the Russian-Chechen Friendship Society, a Nizhny Novgorod-based non-governmental organization, that published an on-line newspaper considered to be one of the few reliable sources of information from Chechnya.*

*By maintaining tight control over media coverage, the Kremlin has learned that it can minimize the fall-out from events beyond its control, as Masha Lipman has pointed out. For example, there is little public analysis of the hostage-taking tragedy at Beslan and therefore few consequences for the country's leaders. Broadcasters have essentially ignored the topic, while only relatively minor publications with small audiences have sought to investigate the conditions under which so many of the hostages died. In contrast to these problematic areas, generally acceptable topics for the authorities include foreign affairs, sports, entertainment, and business. - [Russian Analytical Digest](#)*

*Control Directorate) is now headed by Major General Yury Sapunov with the status of deputy chief of the service, who was moved to Moscow from Astrakhan where he was chief of the FSB Astrakhan Oblast Directorate. Before his appointment to the Astrakhan Directorate, he was first deputy of the FSB's famous Current Operations and Coordination Directorate for the North Caucasus (OKU). **The directorate is famed for its relentless use of force in the Caucasus.** The OKU comprises a special task service that locals have dubbed "**death squads.**"*

*All the indications are that FSB tactics in the North Caucasus will not undergo any serious change. The regional Anti terrorism Operation Headquarters (ROSh) is still under the command of an FSB official, although the ROSh is formally part of the Interior Ministry structure. True, as of September 16, this is no longer Rear Admiral Yury Maltsev (who, a year ago, was moved from the FSB Directorate for Coordination of Counterterrorism Operations to the Interior Ministry with the rank of deputy minister), but Arkady Yedelev. - [Agentura.ru](http://Agentura.ru)*

All of the indications are that Russia is ready for unrest. They have the personnel, equipment and most importantly well tried tactics to deal with it, legally or extra legally when the need arises. Putin's Russia will not descend into chaos, that you can be assured of. Those who say it will, are a victim of their own propaganda or are spreading it for the consumption of others.

Today while there are voices of dissent in Russia, there are clear and unmistakable parameters that must be abided by if one is to remain among the living. This is no conspiracy theory as the spate of Journalists in Russia who have met with violent deaths demonstrates (see box above). One of the most important moves by the Russian government has been the control of the flow in news and information to ordinary Russians and this the government has done with a ruthless and sometimes brutal efficiency.

*Russia's most dogged investigative journalist, was facing a deadline and planning to finish her latest story by the next day. On her desk were photographs and notes about civilians who had been abducted by pro-Kremlin forces in Chechnya and tortured into confessing to crimes they had not committed.*

*Politkovskaya must not have noticed the thin man in dark clothes and the young woman who, according to surveillance tapes, had been following her in the*

*supermarket. Her groceries were too much to carry all at once, so she brought a few bags to her apartment and took the elevator down to fetch the rest. When the elevator doors opened, the man from the supermarket was standing before her, a silencer-equipped IZH pistol in his hand. The first two shots hit Politkovskaya in the chest, the third in the shoulder. By the time her killer fired a final shot into her skull, Politkovskaya, 48, and a mother of two, was already dead. The pistol, its serial number filed off, was dropped next to her body. - [Der Spiegel](#)*

*The Russian journalist Mikhail Beketov knew the risks he was taking. In a series of articles Beketov had campaigned against the local administration in the Moscow suburb of Khimki. He had received numerous threats. His car had been set on fire. This summer he returned home to discover his dog lying dead on his doorstep.*

*Beketov continued to publish his newspaper, Khimkinskaya Pravda, which regularly lambasted local officials for corruption and abuse. Finally, it seems, the administration had had enough. On November 11 a gang lay in wait outside his home. When he returned, they savagely attacked him with clubs, breaking his fingers and skull, and leaving him for dead. - [To Be A Journalist In Russia Is Suicide](#)*

There are parameters to abide by and the traditional press in Moscow abide by them as well.

*"For the first several months, there were very clear instructions to the mass media outlets: **Do not use the word 'crisis.'** They suggested that, OK, Russia happened to be under the impact of 'international crisis' or, as they liked to say, under impact of 'American financial crisis.' But Russia itself was a safe haven — an island of stability, or something like that." - [NPR](#)*

Russian and her past teach those who have studied her that she knows how to deal with political opposition, unrest, social dissatisfaction, terrorism and any other popular threat to state power. Press, labor unions, political parties, formal and informal activist groups.. these will all be targeted by Russia's internal security services. They are not above using the methods of the old KGB, and will do so as long as they prove effective. But warnings have gone forward about economic protests.

*Russian PM warned opposition critics not to use the economic crisis as an excuse to challenge his government and told them to abide by the law. - [World Bulletin](#)*

So I think we will see trouble in Russia, but no major threat to its internal stability. Unlike others who are predicting a break up of Russia along ethnic and regional lines, I think this highly unlikely. While there are some inside Russia who are probably working along those ends, you can be assured that some of the top hierarchy of these organizations are already subverted or have been turned by Russia's internal security forces. One need not look to far to see how far Russia's Internal security apparatus has been in subverting institutions it deemed as a potential threat. The Russia Church is a perfect example.

*"It was not just one or two people. The whole church was under control," he says. "We knew it for sure because we looked at the archives," which use code names to describe priests' involvement in numerous operations. These ranged from campaigns to muzzle dissident clergy to KGB-orchestrated efforts to counter criticism from foreign churchmen of Soviet religious repression. - [WSJ](#)*

This is the pattern in Russia and I am here to tell you, the more things 'change' the more they stay the same. The Russia Church is still pretty much an arm of the Russian government. This is as much a matter of state security as it is a matter of Orthodox history. The Church and state have always existed side by side and the Orthodox Church had a degree of exclusivity that was only somewhat limited in the early part of the 20<sup>th</sup> century. **Thus the Church will be used as a tool for repression should it become necessary.** Microphones in the confessional, the Priest a KGB (FSB) spy, prayer meetings run by an FSB agent. One place resistance will never be found is in the Church of the Russian ~~Government~~ Orthodox. But the history of the Orthodox Church is just one glaring example of the Russian State's ability to deter serious dissent in Russia. It is not a lesson one should forget. The tools of the Russian government to detect, deter, subvert and repress anti-government political movements is probably the most highly developed in the world<sup>5</sup>.

## **The Break Up Of Russia.**

I watch the 'tit for tat' propaganda pieces that 'predicted' the break up of Russia and

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<sup>5</sup> One can make a case that closed societies like Burma or North Korea are better at it.

another predicting the break up of the US with a small degree of curiosity and humor. Each clearly had some glaring lapses in its judgments and the pieces were more akin to wish lists than hard analytical pieces. But they were telling in this respect. Some folks see this as a possibility and even now are using crude disinformation techniques to whip up debate and hopefully passions.

I do not see any break up of Russia, even if this crisis remains as deep and as long as I think it will (3-5 years...from now, not its inception). The Russian state is more cohesive than most recognize and while things will be difficult, Russian propaganda demonizing (usually correctly) the west, led by the US as being to blame, will kill much resentment felt even by those in Russia's more restive regions. The key will be to ensure (as far as Russia is concerned) that the government is trying to fix the underlying structural economic problems, prevent a precipitous drop in living standards, quell foreign agent-provocateurs and keep republics like Ukraine, and Georgia under control and becoming tools of the west in the 'great game'.

Russia's Medvedev can perhaps be somewhat blamed for an inability to quickly grasp the scope of the problems in the economy and the exposed nature of Russia's investments to the US dollar. Medvedev has begun having 'fireside chat's with the nation in one and one interviews on Russian Television. Interestingly, this crisis, rather than having the Kremlin attempt to hide the problem is finding it becoming more open about it and how it intends on dealing with it. Of course there are always those 'parameters' that must be abided by, but still, this is rather new. Medvedev is no Putin, and seems to genuinely want to bring in more openness to Russia's government and inform the people rather than merely control them.

*"...those in authority are duty bound to talk openly and frankly about this, about the decisions that we're taking to overcome the crisis and about the difficulties that we're facing... on a regular basis" suggests a continuing shift toward openness and directness between the government and the population - Medvedev (Kremlin.ru)*

Despite the fact that even with the extremely repressive measures that the old Soviet Union had, it did eventually break up. But that in my estimation was due to a couple of major factors that today are not present. One was the obvious superiority of the west to provide a high standard of living for its people, that the Soviet government could not provide. Second was the degree of openness that was present in the west that is slowly coming to Russia. It must be noted here that many Russians are not as interested in democracy as westerners are. Many Russians equate democracy with chaos, crime and corrupt opportunism. They don't mind having a say in affairs, they do mind how

'democracy' turned out for them during the Yeltsin years. They understand the authoritarianism of Putin - they may not love it, but it (as far as they are concerned) put bread on the table, a car in the garage and an iPod in the kids Christmas stocking. The other issue is more complex and talked about before on the site, namely I think the Fall of the Soviet Union was more 'top-down' orchestrated rather than 'bottom-up' driven, making a comparison to today irrelevant.

Thus, I think that comparisons to the fall of the Soviet Union and the current economic crisis are not valid and do not take into account the effects that greater affluence has had as well as the chaos that followed after the Soviet Union fell. No Russian wants to see that happen again. Thus, I do not see mass protests that tear apart Russia in the offing. Protests to change some policies, yes. Break up Russia, no.

It must be stressed here that the economic crisis in Russia is real and severe. It is hitting ordinary Russians hard enough that they fell it. Yet So far only two Russian banks have collapsed (compared with 14 in just the first 7 weeks of 2009 in the US) and while there have been and will be cuts in government spending and a serious slowdown in its growth, I maintain that that the problems in Russia are minuscule compared to those of the US. So far, the hardest part (and the part of it that will deeply effect Americans) is still ahead of us. The two major sectors of the Russian economy being effected the most are those effected by the slump in commodity prices (oil) and those entities who were caught off guard in the credit crisis. But Russia has taken the right tact in dealing with it, rather than borrowing money, it is cutting spending.

*The Russian government has instructed ministries to cut spending by another 15% on top of the 15% budget cuts approved late last year, a business paper reported on Monday.*

*Budget cuts will affect all budget fund recipients, except courts. The biggest cut will hit the Energy Ministry (33%) and the Transport Ministry (30%), while the least affected will be the Education Ministry (11%), the State Duma (12%) and the Foreign Ministry (12%), Vedomosti reported, referring to officials from several ministries. - [RIA Novosti](#)*

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*Russia has sufficient oil fund reserves to “live through this year without borrowing,” even as the government braces for its first budget deficit in a decade, President [Dmitry Medvedev](#)’s top economic adviser said.*

*The government is in “no hurry” to sell bonds, though it plans to monitor markets closely, [Arkady Dvorkovich](#) said in an interview on Bloomberg Television in Moscow. “If market conditions will improve, then the government will start borrowing.” - [Bloomberg](#)*

The Russians do this for a number of reasons. First Investment in Russian debt is something most investors are leery of especially in these times. Second, why duplicate the mistakes of the Americans? Rather than borrow and spend, or raise taxes on people who are already feeling the crunch, they have wisely decided to cut expenditures. Thus keeping Russia's government in line with its economic resources. So simple anyone could think of it... except of course, the Americans.

Russia's emergence from this crisis may be stronger than many analysts believe. Consider that it was Iceland that appealed to Russia for a loan after castigating the US for being the cause of this crisis. Know this as well, some in Europe want to build lasting bridges with Russia and want to sever the cord with the corruption that is America. Yes, it was profitable for some for a while, but many in power have had enough. They have been swindled and raped by America's elite for the last time and while they may not say it openly in public, a multi-polar world is exactly what some want to see and probably before long, I think they will will get it.

The Russians are going through their valley of decision, America has only gotten a glimpse of it. Here in America the problems are much more severe and systemic and are being exacerbated by bad economic policies begun by the Bush administration and carried forward by Obama's. Thus it is not Russian unrest or even disintegration that should worry Americans, but in this authors estimation, their own. A subject to be covered later in this piece.

In short Russia will deal with unrest and will fully and brutally reciprocate with any foreign entity that seeks to sow unrest in her borders or periphery. The Russians do not play games with security. They will survive this and come out leaner and meaner than what we see today.

## ***America***

Here is where the crisis is centered, here is where the financial 'mafia' have their stranglehold and here is where the most pain will be felt for the longest period of time<sup>6</sup>.

<sup>6</sup> The exception may be China and Japan who are both too closely linked economically to the US to not feel much of the same pain for the same period of time.

There is little that has dissuaded me from this view, even in light of a new, different and engaging new President. None of his economic policies have been directed at the source of the problems, rather they have only exacerbated some of the major structural problems in the US economy. Trillions are being lent to Banks either via the Federal Reserve or the Treasury in ways that only complicates matters by attempting to 'reflate' the bubble that was popped in October of 2007. The problems in the US economy are systemic and cannot be solved via bailouts, stimulus packages (however well meaning) or inspirational speeches. They cannot be solved by overburdening an already maxed out national credit card. It was exactly the kinds of decisions that Presidents Bush and Obama are making now that put America in her current predicament. Borrow and spend, put the banks interests before the national interest and do not seriously investigate or prosecute serious and systemic financial crimes. This is the pattern we have seen for decades and now the chickens are here, and they are ready to roost.

I will not go into the gory details of the actions of Obama and Bush. Rather, I will look at the effects these policies will likely have on the America, its standard of living and its internal stability. I advise my readers to take these views with a grain of salt. First such a look is fraught with unknowns and surprises that cannot be accurately foretold. Second, my views here are no 'wish list'. The things I think will happen are based simply on the facts and national tendencies as I see them. This, probably more than anything separates the analysis that I do from 99% of the work done by others (who are often paid to spin things) and Christians who are too busy trying to make prophecy 'fit' events rather than a healthy re-examination of dearly held beliefs that a more thorough examination demonstrates are not based on sound doctrine. Common sense or the facts. So with that in mind, and with a little wry humor interspersed throughout, here goes.

America will change significantly by the time this crisis is all said and done. She will be less affluent, less militaristic and less cohesive when the dust finally settles. I see serious tensions ahead for America and her policy makers ahead. Major political conflict will come to pass in the areas of defense spending and entitlements. Some may turn to 'unconventional means' in order to maintain America's military empire. The same can be said of her banking empires. The pillars of American power have really been under assault since 911 and many of the elements who benefited from those attacks are part of the problem today. They hail from what can only be called the 'imperial' side of America's establishment. Their primary goal is to maintain America's empire as long as possible. They can and have used ruthless methods in the past and will do so again<sup>7</sup>, should they feel it necessary to maintain and even expand that empire. This is not to say that these forces of the Military Industrial Complex (MID) and monolithic or have total control over the government. They do not. But they do have enough influence to see to it that Budgets as well as key National Intelligence assessments reflect their interests first

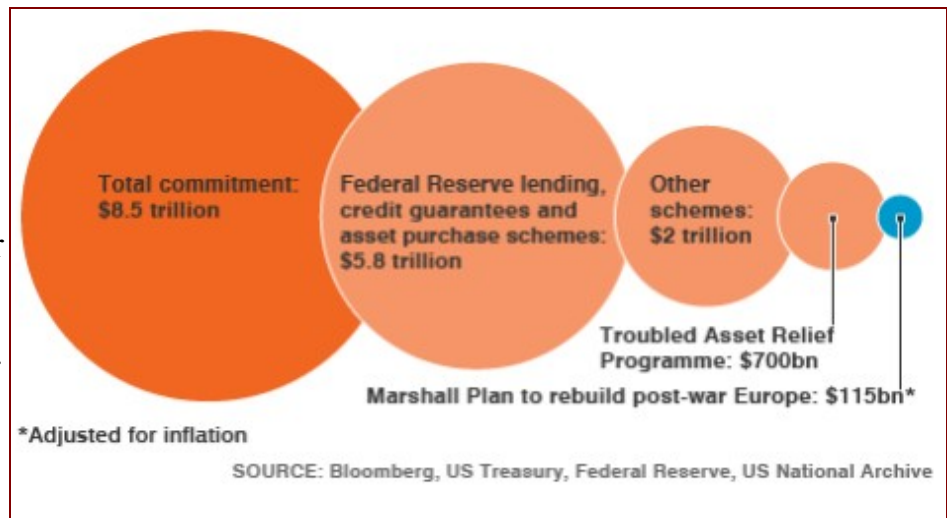
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<sup>7</sup> Soon, I think the more hideous portions of those Justice Department Memo's will come to light.

and the nations second. Also it is important to note that all of the tools of political repression are present in America and have been for several decades<sup>8</sup>. While they have rarely been openly displayed in a full force method. More clandestine methods of repression have been noted throughout US history, most notably in the 1960's<sup>9</sup> and during the Bush administration. Deadly political repression and Americanism are viewed synonymously by many of the world's poorest. All of this is said to get some perspective on the kinds of things America can expect as 2009 rolls on and 2010 comes in and things are not better, but are worse and and worsening.

## Budget Busted.

This is something I see coming soon. I will not put a time frame on it as America's printing factory may be able to mask a great deal of it for a considerable time. This money will be printed up to pay for that bailouts of the banks, stimulus packages, Universal health care, Bernie Madoff's legal expenses,



and a host of things the nation can not afford, but Washington's lobbyists will demand of the New administration. This will end the dollars reign as the world reserve currency. Now I know that the first thing the 'dollar fundamentalists'<sup>10</sup> will say is that this is impossible. They will point out that the dollar cannot fall from grace, too many others have too many dollars in their reserves and cannot let it fall, they say. This is true, they cannot do it *all at once* and will not. Nor will we see the Euro emerge as that new reserve currency, What I think is most likely to happen is that the dollar will cease being a currency that trade will be conducted in, bilateral trade will more commonly use a currency of their own or another one of choice. This is not going to happen all at once, but the old order of trade (based in the US reserve currency model) is clearly breaking

8 Let no one tell you that Concentration Camps in America are not real. They are very, very real and underground detention facilities really do exist.

9 This can be shown by looking at the number of political assassinations that took place. Martin Luther King, Malcolm X, a host of Black activists who were often gunned down in cold blood, John F. Kennedy, Robert F. Kennedy, George Wallace and a host of Anti-war pop musicians whose deaths were almost always from the euphemistic 'drug overdose'. Rather than what some of them probably were, political assassinations designed to undercut a strong and growing anti-war movement.

10 Beware, many of these guys are paid to praise the dollar and denigrate those who point out that you cannot print your way to prosperity.

down.

*Because freight rates are dictated by supply and demand, shipping lines are even more exposed to the downturn than ports companies, which have set rates. Ship operators have been forced to cut rates and lay up vessels in anchorages from Singapore to Fujairah to await new orders.*

*“Shipping lines are losing money at an enormous rate,” Mr Davidson said. “The question is: ‘Will all of the lines survive?’”*

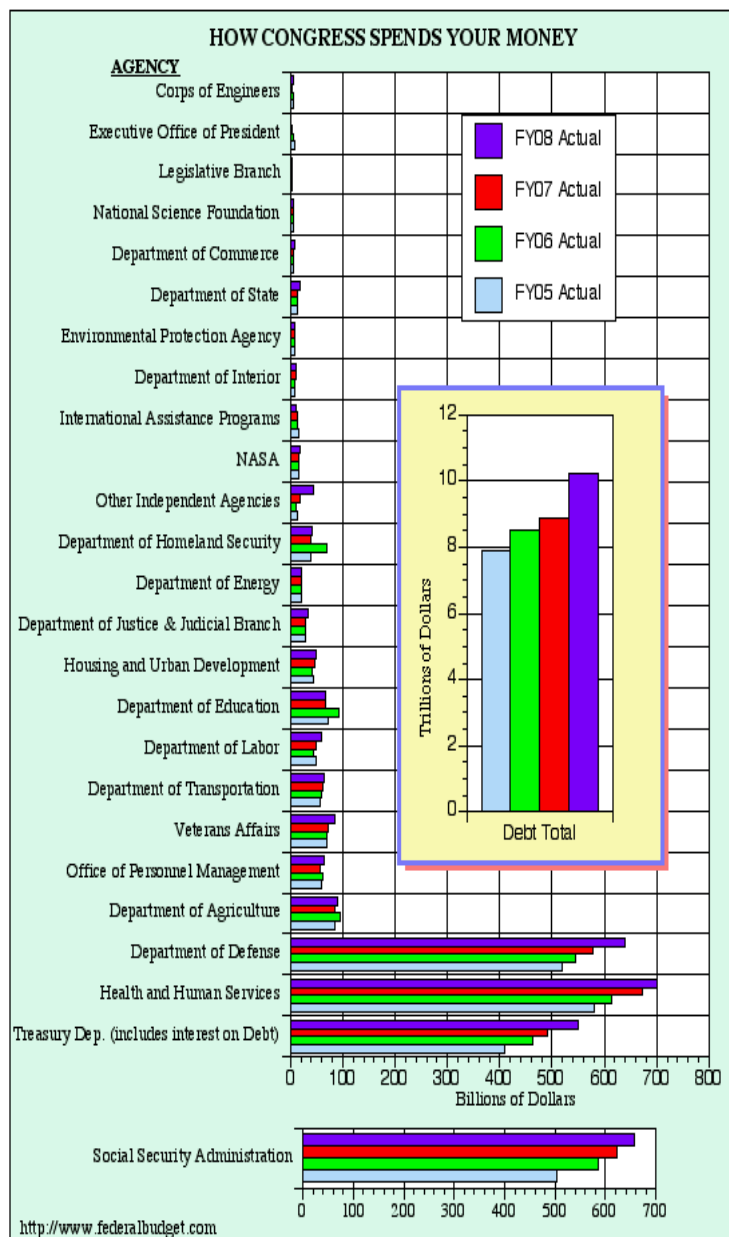
*Sending a container from Asia to Europe one year ago might have cost US\$1,500 (Dh5,509), Drewry reports. Today, shipping lines might charge between \$300 and \$500.*

*This week, Neptune Orient Lines of Singapore became the first big line to forecast losses for this year.*

*At United Arab Shipping Company (UASC), which is jointly owned by the UAE and other Gulf countries, nine of its 41 container vessels are idle due to low demand.*

*“It’s no secret the rates have come down,” said Jorn Hinge, the deputy chief executive of UASC. “There is no law stronger than supply and demand.” - [The International](#)*

Global trade is falling and will continue to fall. This may assist America's trade deficit but not its overall fiscal health, which President Obama promises to burden with another 1.75 Trillion dollars in the 2010 fiscal year, keeping the longstanding Bush tradition of record



breaking budgets. This kind of fiscal madness is incongruent with the rhetoric of change that Obama preached when he ran. This is really the gospel of fiscal disaster being preached by 'pastor' Obama. The effects of his economic policies are much like his campaign, lots of promises to lots of different and often opposing interests often spoken with as great of eloquence as mendacity. Health care for ordinary Americans, Bombs for the War Machine, stimulus packages for businesses, states and mortgage holders, new troop buildups, all to be paid for with astronomical new borrowings. It also means that US debt is being viewed as toxic by investors and it is getting more expensive to insure US bonds. Notice in the chart (right) the last entry, interest on America's debt,

*Bets that the safest countries, even the United States, may default on their bonds have soared in recent days as governments have issued unprecedented amounts of debt to avert long and deep recessions.*

*In the United States and Europe, the costs of insuring government bonds against default have risen to record levels as countries roll out additional big programs to buy up battered housing-related assets and underpin tottering financial institutions.*

*All these rescues require huge increases in debt issuance over the next year or two. At some point, bond analysts fear, supply will overwhelm demand, degrading the perceived quality of these sovereign bonds and causing investors to demand much higher yields in return for the risk of holding even AAA-rated government debt. - [IHT](#)*

**T**o the layman this is rather esoteric, but in layman's terms it means that investors are not keen on US or EU sovereign debt. It means that all of these bailouts, stimulus packages and reckless spending are viewed with suspicion and when that happens, people don't buy your debt. This is of enormous concern to the US because a \$1.75 Trillion dollar budget is going to have a hefty amount of borrowing in it.

I put forward to you the reader these facts to show you why I will say the things I will, so that you can understand that the Obama economic policy is really the Bush economic policy with a few more crumbs than usual thrown out to folks like you and me.

The US government in order to stave off fiscal collapse and placate competing political-economic interests will be insolvent in a matter of months and will resort to even more currency creation to pay its bills. This will lead to inflation and once it is clearly

identified as happening in the economy any attempt at pulling back will be met with catcalls and howls of derision by the same interests that are in control of the Obama administration. In short, everyone demands a piece of a pie that no longer really exists.

When this happens you will see serious inflation in food, fuel, taxes and other items that you have no choice but to buy. It remains to be seen if the inflationary trends we see today will remain in big ticket (credit dependent) items. I suspect that they will remain to a large degree. But rampant inflation coupled with a large body of unemployed and underemployed people is a recipe for unrest. Even as docile and controllable as the American population is, they will not sit still and watch harsh realities hit them at home. It is OK if it is just *'those folks on TV'* but when it really hits home, they will be angry.

There is a chance of a soft landing and this may be one of the reasons why America's establishment is allowing President Obama to make real overtures to America's working class. They saw a real potential for unrest and decided to allow him to move in the domestic arena to quell dissatisfaction with a few budgetary crumbs. The plan may work but given the scope of deficits and condition of America's banking sector, I think this highly unlikely.

So who is going to pay for this new massive spending?

*You are probably aware by now that Obama's new spending plan is entirely - deficit spending. Does everyone understand what this means? It means that the United States government is broke - they have no money - yet they want to spend one trillion dollars more! Does this make sense to anyone - that they want to spend all this money when they have to BORROW it? Where is the common sense? Why not let fail what is going to fail and let the economy re-set? This is the inevitable ending to this story no matter how long Obama wants to put it off.*

*I get a kick out of all these people who vehemently support and protect Obama and his policies - they act as if his decisions will not effect them - only other people. They act as if they are immune to the coming Socialism and the devastating effect it will have on our country.*

*What does it mean when they say that they "want Obama to succeed?" Does that mean that his supporters just want him to "personally" succeed at passing through all of his programs? This is the sense I get. His supporters seem to be only focused on this man and his own "personal" success RATHER than focusing on the outcome and ramifications of his decisions. - [Americans For The Consitution](#)<sup>11</sup>*

Now first and foremost we must understand that you cannot borrow your way to prosperity. It cannot be done. The debts always come due and while Obama's plan does contain tax increases on those most able to pay for them (those making over \$250,000 per year) the majority will be done on the governments already maxed out credit card. Through more borrowings and when that is not available, the Federal reserve will by US Treasuries thus monetizing America's debt. This is a way of paying for it. It comes with reduced purchasing power overseas when goods become less available or more pricey, (in dollar terms). When the ships from China are less frequent and half full, you will understand what that means to you and me when you go into some of your shopping stores and the shelves are empty, except for those chains who will be able to make secret deals.<sup>12</sup>

America's indebtedness will be dealt with to some degree in this fashion, behind the veils of secrecy and darkness, but the numbers are so large that nothing can come close to filling the enormous and ever growing gaps between what America makes and what she consumes; what she spends and what she collects in taxes, fiscal realities and economic pipe-dreams.

In short, no one is going to pay for them, at least not the lions share of them. Sure China will pick up some, but EU states, China, those Hedge Funds in the Carribbean, well, they have their own problems right now and shipping money to a government that is nigh unto defaulting on its sovereign debt obligations is probably not very high on their list of things to do today. Which brings us to some very sobering questions. Given the fact that it is becoming much more difficult to insure US treasuries, when will the US default on its sovereign debt?

### G7 Industrialised Countries CDS

Ticker	CLIP	Name	5Y Today>	Daily Chg (bp)>	Weekly Chg (bp)>	28 Day Chg (bp)>
USGB	9A3AAA	Utd Sts Amer	100	10	20	29
JAPAN	4B818G	Japan	96	-5	18	55
DBR	3AB549	Fed Rep Germany	89	-1	24	29
UKIN	9A17DE	Utd Kdom Gt Britn & Nthn Irind	163	-1	14	27
FRTR	3I68EE	French Rep	93	0	18	24
ITALY	4AB951	Rep Italy	187	0	10	13

<sup>12</sup> That his is already beginning to happen is clear. What is not known to most people is that the secretary of State in her recent trip to China made some secret agreements with China for the one of America's biggest retailer, a company Clinton once served on the board of. I understand that Microsoft also got a nice deal as well. There are a lot of things going on that only a privileged few are aware of.

*The Yield on a 5 Year T Bond is 1.92%.*

*It now costs more than one half of your return to guarantee a midrange US sovereign debt note.*

*Now if you take the next step, and view that return on a guaranteed US 5 Year Note as effectively .92%, you would have to believe that the rate of inflation will remain under one percent for the next five years in order for there to be any real return at all (Return on Guaranteed Interest Minus Inflation). - [Jesse Cafe](#)*

This ought to tell you a lot about how 'safe' investors really feel about treasuries. So the next thing I usually hear is, well the dollar is doing well against the (you name your currency here). This is true as far as it goes, which is not very far. First while measuring the dollar's value in this crisis against other currencies is a good idea if (and only if) you are a currency trader, but if one wants to understand the underlying dynamic of why the dollar is rising, one of the main reasons is the settlement of much of these debt obligations (and derivatives) require dollars. Often these must be converted from other currencies and this naturally increases demand which of course causes the price to rise. Given the hundreds of billions that need to be settled this translates into strong demand. This is why the dollar has not done too badly. Yet, given the astronomical amount of money needed for these transactions, the dollar has only be able to etch out very modest gains. ***That should tell you something about where the dollar is heading.*** Remember this, after all of the toxic waste is settled in the financial system, America is still going to be saddled with \$10.8 Trillion plus \$1.2 trillion (this years deficit spending) and all of these other bailouts that have not been put onto the books. Totaling about [9 trillion dollars](#). This does not bode well for the dollar and any economist who says that we can deal with these deficits without gut wrenching economic pain is of the same variety that did not warn you that this crisis was coming in the first place. They are of the economically worthless variety. But today, economists are not paid to study economics, they are paid to lie for those who fund their think tanks.

So if I can see this is not going to work and just about anyone who called this economic crisis before (key) it happened can see it why can't Obama? I do not have any insight into this man's mind but I will give you some of my thoughts.

I think Obama knows full well his plan is not going to work. In fact, I think he has come to terms that nothing is going to work with the current political dynamics in Washington in place. If things go on as they have, America will implode economically followed quickly by social chaos and political upheaval. So what is Obama's plan? Well, before I go there, let me tell you what one of my sources said to me, not very long ago. He said

that there were forces inside the Obama camp that are so appalled by the level of criminality going on inside DC that he is strongly considering doing something that will seem downright nuts, but makes perfect sense when you understand why.

Some have suggested that he formally declare war.

This will require a Congressional War declaration but once that happens, many things can be done that cannot be done now. One of the major reasons Bush did not declare war was because of the enormous legal responsibility that goes with what he and his administration did. You see, once you declare war, the crimes of the Bush administration are no longer crimes, they are treason. I am here to tell you that what was going on under Bush can be described **in no other terms**. If Obama declares war, the crimes that went on and are still going on (and he has little say about) can be dealt with quickly and permanently via military courts, which are little more than the reading of the charges, a pronouncement of guilt and a prompt leading off to the firing squad. No appeal. Have you wondered why suddenly those media tools of the far right are going into overdrive about Obama, now spewing the worst kind of hate against him saying publicly that they 'hope he fails'?

I am of the opinion (just opinion here) that some of this information in one form or another has filtered down to them. They are afraid, it would mean the exposing of the mechanics of the right wing slime machine that runs through Big Oil, Big banking and the Military Industrial Complex. You will see the worst crimes exposed and the forces behind them. What is stopping him now, I do not know, but will tell you what I think based on what I have heard, Obama is very isolated, politically speaking. What do I mean? He has no 'power base' that he can fully rely on. The power behind him now is Clinton and the two have a very uneasy relationship. He pretty much can only get the things done that the Clinton Machine allows. This is why watching which of those cabinet level appointments went through and which ones failed was so very instructive.

He cannot rely upon the Democratic party either as they too are very dependent on the Clinton's money machine. Barak Obama, in many ways was something that they really did not expect, did not want and had to come to terms with or it would have been President John McCain right now and a Democratic party that would never have recovered from preventing Obama from entering the White House, because Obama's money was such that he could have run 3<sup>rd</sup> party and been a potent spoiler and opened up 3<sup>rd</sup> party politics to a new level.

Nobody wanted to see that.

But he made a choice to stick with the Democrats and make the appropriate back room

deals. But now he is so dependent on the political machines of others he has found that his hands are tied. Sure, they will let him make promises to America's working class. It keeps them quiet and fills them with hope so that they do not begin to get really pissed off as the President shovels out yet more hundreds of billions in bailouts to the banks and refuses to prosecute serious financial crime. It is a kind of economic placebo, if you will. Obama is going to play it for all it is worth because in the days ahead, he is going to need a bully pulpit to deal with the criminal elements that are deeply imbedded into both political parties that are preventing the real change, I think he wants to bring in. This does not mean that I personally agree with some of those changes<sup>13</sup>.

Thus, I think Obama's economic policies, while seeming rather insane to those who have not been mesmerized by the theatrics can be seen perhaps in this light as part of a larger stratagem to deal with the American criminal enterprise.

But it must be stressed here that Obama is isolated. Truly and almost totally isolated. One friend of mine who works in the government put it like this, he is like one of those maiden's from the middle ages, trapped in a high tower waiting for someone to save him.

Folks are trying to reach out to him but he has not taken any help yet.

This is my 'two cents' based on what I know and sources who have talked to me about what is going on. I do not have all the answers and ask you to be very suspicious of (as in stop listening to) those who think they do.

## **The Specter of Martial Law**

I think sooner or later in one form or another this President will have no choice but to call for some kind of state of emergency. The economic situation will demand it. What that will mean for us has many facets but primarily it will mean the end of the high standard of living Americans are used to. Second, it will be a signal to criminal gangs in America and those located in Mexico as well as sleeper cells of foreign agents (who are here in the US) to go to work, they are waiting for America to fall before they really move in. This does not mean that there will be a formal declaration of martial law. Nor does it necessarily mean that it will be a panic in the streets kind of event. It does mean that on some level nationwide emergency measures will have to be taken.

## **Crime**

This is going to be a greater threat, I think than most 'policy wonks' believe. As people lose their jobs and cannot find another and find that it is no longer possible to stay in

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<sup>13</sup>Abortion is a major problem I have with Obama not only do I disagree with him on this, I find such policies odious and frankly, damnable and evil.

their homes or even find the basics that make life livable, the inevitable choice of crime will appeal to more and more people. Those than cannot make a legitimate living will turn to making an illegitimate one. This you can bet on and come out the winner in 7 cases out of 10. Hungry people will do what it takes to survive and if surviving means dealing drugs, transporting human cargo, stealing cars, breaking in homes, selling illegal movies or music, or organizing 'for hire' assassination squads then that is what they will do.

This is once again where I see the real threat over the longer term. You see there will be no magic bullet saving the US economy. As laudable as our New Presidents goals of using alternative fuels, new technology to drive our recovery, the reality is that these technologies are not here yet, and even if they come into being, will take years to develop and even then cannot possibly bring in the kinds of economic prosperity that can fill the gap between America's standard of living and her deficits. Obama is giving us pipe dreams because he knows the enormous forces that would come against what really needs to be done<sup>14</sup>.

Folks, I hate to burst your bubble but these dreams 'ain't gonna happen'. The reality is this. America's economy will continue to implode so that unemployment rates coupled with serious underemployment<sup>15</sup> rates rise to over 30%. Thus there will be no 'recovery' in the sense that most people expect, i.e., things going back to pretty much the way they were. Whatever recovery we have that is not based on sound economics and production will not succeed. Thus this large cadre of newly impoverished Americans will turn to whatever means they can to feed their families, keep a roof over their heads and purchase necessities.

Now I must confess that my views may be a little too pessimistic for many of you. Your skepticism is understandable. Most Americans have no frame of reference as to what real poverty is. They just don't. Second, I confess, I just don't have much respect<sup>16</sup> for most of my fellow Americans. I have far less for the culture of greed, selfishness, lust and ignorance which have been glorified for many years by America's entertainment industry and encouraged by some of our elite. I know this is a far cry from the optimism of what many say about American culture and 'America's indomitable spirit', but I am old enough, worldly wise enough and have lived in enough different countries (as an

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14 Rebuild our manufacturing capability and renegotiate Free trade agreements so that 'fair' takes a front seat to 'free' in our trade agreements and forgive some of the debt that shackles Americans.

15 Folks who were once making 50-100k a year who now must try and make ends meet on part time/temp work of less than 20k a year no benefits.

16 I mean their twisted and uninformed world view and their moral and social more'. Their minds have been poisoned by Americanism and all of the spiritual, social and psychological decay that that entails. Their frame of reference are other Americans who also have been thoroughly poisoned as well. The mentally crippled thinking of Americans is as deep and as dangerous as that of Nazi Germany and is just as militarily violent. The Germans did not see themselves as evil either as their frame of reference was only other Germans and those who did travel overseas were shocked at the way they were treaded by other nations. Sound familiar?

adult) to see things very differently than most of my fellow Americans. Nor am I encumbered with the arrogance and 'sense of entitlement' thinking that is so prevalent in so many of my countrymen. In short, Americans thinking patterns, for the most part are not rooted in anything other than personal comfort, 'getting ahead of the next guy' in consuming and in many cases developing a cold arrogance that I personally see everyday as I move about my local area from my jaunts to Target, Best Buy, Giant, the Mall or the local Park. A great many people are just not very nice. You know when I was growing up it was polite to speak to people when you passed by them. Today, it is often viewed as a threat. I cannot tell you how many times I have gone places and had people turn their heads away when I offered a friendly greeting when I (or they) had to invade my personal space, sometimes their heads turn so quickly I thought they were going to hurt themselves and need a neck-brace and medical attention! Usually they simply do not even acknowledge any greeting. They feel they are too good to speak to ordinary folks. I tell you a whole different spirit has taken over the American psyche and it is not good one. Older folks can see it, younger ones do not have any real frame of reference. They think unkindness is normal and OK. I tell my readers that sometimes more can be ascertained by noticing the little things that the great big things, watching patterns of behavior rather than listening to what people claim to be.

But is the root of that spirit of arrogance which is a way of saying 'me first, screw you' (that is the root of this kind of behavior) is going to give way to crime which is merely a different way of expressing the same spirit of 'me first, screw you'. That is what the thief says when he steals a car, breaks into a home or picks a pocket.

In summary: In the past I relayed some reasons why I thought a serious challenge to central authority to the Federal Government was likely. Fortunately, with Obama in office much of that threat is reduced for the near term. Obama has shown great sympathy with the plight of the states, counties and cities and has opened up the treasury in assistance to them as well as to ordinary Americans. However, the other threats that are being ignored or papered over with bailouts are likely to cause a crisis or series of crisis that spirals out of all control. That frankly is what I see happening, much sooner than later. There is no easy way out of this crisis and our enemies know it and I strongly suspect based on the evidence I have seen and the sources I know, that they have long prepared for a day such as this.

## **Europe**

What will happen to Europe? How will the many nations in her union react to the crisis as it continues to decimate large portions of her economy? What will be the effect on political union, economic policy and even the Euro? How will the poorer nations of the East view the inability of the richer nations of the west to assist them in this dangerous economic downturn. Can the Euro-zone lose its currency, the Euro? Can some nations who may very well declare bankruptcy before long, remain in the EU, if so, under what new circumstances?

The Eurozone has very strict conditions relating to monetary policy. These were put in back in the 1990's.

*The stability and growth pact is an agreement to limit budget deficits in countries that are members of the eurozone.*

*When the eurozone was set up, it meant that control of interest rates passed from national governments to the European Central Bank (ECB), whose mandate was to keep inflation under control.*

*But the architects of European Monetary Union - especially Germany - feared that some countries would get round the tough monetary policy of the ECB by increasing government spending and running large budget deficits.*

*So they insisted that countries agree to limit their budget deficits to no more than 3% of their total economy. - [BBC](#)*

Sadly, this pact has been a point of contention between EU members and has not contributed to the stability of the Eurozone. Here it must be noted that this author is not inclined to believe that states will leave the Eurozone but a number of different scenario's will play out.

1. Weaker EU states will demand help that it cannot receive They will then seek formal (or informal) exceptions to the 3% rule for a short term.
2. The larger states may begin to believe that the weaker ones are too much of a drag on the larger ones and find ways to 'force' them out.
3. States may actually seek to leave the Eurozone or re-negotiate its more stringent fiscal requirements.

All of the above seem rather unlikely as any enforcement of the Stability pact is likely to be lax to non-existent.

*France thumbed its nose at the European stability pact yesterday by announcing it had broken the deficit limit in 2002 and would do so again in 2003.*

*Francis Mer, French finance minister, said France's position was not serious enough to merit anything more than a warning. The commission said yesterday there was no "rounding down rule in the stability pact" and if the limit was breached action would be taken. The EU can demand that France raise taxes and cut spending to meet the pact's limits. - [Telegraph](#)*

So I do not think that a break up of the EU is in the offing in the near or medium term. The longer term is going to depend wholly on how long and how devastating this crisis will be. While many are still saying this is not going to be as bad as the depression once again, these are the exact same voices that never saw this coming to begin with and are probably just 'talking up' the economy to balance the overbearing sense of gloom that is prevalent among those who know what is really going on. I think it will prove to be just as bad as the Depression, though different fiscal and monetary dynamics will be in play. From the results of the complicated products that are now being revalued to the fact that governments around in the west are committed to massive bailouts that will make matters worse in the long term as currencies lose their value because of this profligate debt creation and monetary expansion. Here I refer mostly to the US but as the Eurozone holds a healthy amount of US paper and is closely linked economically with the US you will see the same troubles there as well.

As one major bank in EU put it, “*The difference between a deep recession and a 1930's style depression is economic policy*”. This is certainly the view of policy makers and as far as definitions go, it is a good one. It is economic policy that will determine what will happen in the EU, but let us never forget that many EU jobs are dependent on US companies. Ford and GM are two very important cases in point. What do I mean? Take a look.

*The European operations of General Motors will run out of cash within weeks unless they get government support, the American carmaker said yesterday, adding that a collapse would put up to 300,000 jobs at risk.*

*Fritz Henderson, the chief operating officer of GM, said that the division, which includes Opel in Germany and Vauxhall in Britain, would hit liquidity problems early in the second quarter. - [Times Online](#)*

I contend that the above definition is correct as far as it goes, but that the structural problems that exist and were compounded to some degree by the irrational impetus of globalization and ponzi-finance are only being corrected by the downturn and **that**

*economic policy that attempts to interfere in this natural and necessary market readjustment will fail.* As long as GM is bailed out it will keep on needing bailouts because the real state of the US (and EU economy) can no longer support the marketing of so many cars to people who can now (or will soon), no longer be able to afford them, and certainly not at the intervals that were the habits of the past. This dynamic goes across the spectrum of the Post globalized Western economies. None of this is really hard to understand or explain to anyone who has even the most rudimentary understanding of economics. The problem, once again is that the economists who are in the media and to a large degree in the blogosphere are not there to inform, they are there to deceive.

Jobs will go away in those enterprises that are based on a model of trade and credit that was fatally flawed. GM could not compete with other car makers for a number of reasons, but the real problem has as much to do with GM's uncompetitiveness as it does with a consumption model that used credit as a substitute for real production and an American/European worker who has seen real wages decrease and certain unavoidable costs skyrocket (energy, housing, medical insurance and to a lesser degree food). One again these factors were all caused at least in part by these imbalances.

Europe will feel as much pain as America and how her different nations deal with the coming social unrest is not at all clear. One must keep in mind that in some nations, her security forces have personnel in them have entities that are under the control of others. The German police have always has a problem with ex-Nazi's and far right extremists in its ranks, sometimes very high up. The Italians have always has a problem with the Mafia. Across Europe the probability of Russian infiltration into police and security service ranks is a very real one, as is political infiltration and subversion on a political level by the same. When the state cannot fully trust its security services to carry out its orders with zeal or its political leaders to deal with problems with an eye to really solving them, far more intractable problems begin to show themselves and if you want a hint at what I am talking about, take a look at Mexico.

Europe's potential for social disintegration via chaos is high. What may be a somewhat higher threat are the forces that use legitimate means (elections) to come to power that may cause serious problems for the EU and its ability to make policy across the board. What would happen if Austria, in this downturn elected a far-right Neo-Nazi government? Does this sound far-fetched? It shouldn't.

*The far right Alliance for the Future of Austria (BZÖ) surprised pundits who said its appeal would wane without charismatic leader Joerg Haider, who died after a drunk driving crash in October.*

*On Sunday, the BZÖ won 45.5 percent of the vote in Carinthia, the rural province that Mr. Haider had made his personal political stronghold. For years, he had charmed locals with a blend of bonhomie, xenophobic rhetoric, and international media attention, which often hinted that he was a closet Nazi.*

*During Sunday's election, the party managed to improve its share of the vote by 3 percent, despite Haider's absence. - [CSM](#)*

What are the possibilities of a government that may not be as amendable to the EU in France and seeks perhaps not to break up the union but to reduce assistance to struggling eastern EU nations? Is this prospect far fetched? I think not. The fact that nations like Greece are struggling with debt and have had serious unrest is a tell tale sign of more serious problems on the horizon that EUphoriac's will want to admit. Rank and file citizens and workers in the EU are beginning to see the EU as the source of many of their problems rather than the solution to them and this is the line that those on the left are using to bring in change.

*The EU Commission has become a synonym for deregulation and the dismantling of workers' rights. Instead of reconciling social and regional antagonisms, it exacerbates them. This bureaucratic colossus—with 40,000 generally high-paid officials, unhindered by democratic control and subject to the influence of an army of lobbyists—manifests itself more and more openly as a tool of the leading European powers and the most powerful corporate interests - [Global crisis threatens to break up the Eurozone](#)*

There are a great many dynamics at play and this financial crisis is going to put a fire on the 'gasoline' of a great many long standing social problems. What are these problems?

### Immigration

Many EU states have been overrun with immigrants whose culture, language and at times attitudes are at odds with those of most Europeans. This has been a major bone of contention by those on the right and they have been able to gain the sympathy of ordinary Europeans who are not necessarily racist, but do not like to see their nations begin to mimic many of the internal problems of the nations many of these immigrants fled from.

We have seen some particularly violent riots in the past, especially in France by these immigrants and some very draconian laws against even speaking against Islam in many EU states. These moves could perhaps have been gotten away with when times were good, there is no way some of these issues can go undressed as this crisis drags on.

There is a social and economic powderkeg in Europe and much of it is because the EU bureaucracy has held ordinary Europeans in low regard and refused to take into account the social cost of many of the Utopian tendencies of their social and economic policies. These errors may very well cost them a great deal of political stability as the days move forward.

### Welfare State

This is the unspoken truth of what these bailouts may mean to some EU states. While it probably will not signal the end of the welfare system, it will probably lead to serious reform of that system. Now it I would do a great disservice if I did not point out that these systems are of varying types some being more socialist in nature, protecting the working class while others are more 'corporatist', which seeks to maintain social and economic status. These models will probably have to change considerably before this crisis is finished, despite the promises of even the most liberal of politicians. Why? As I said, this crisis is going to be deeper and much more difficult than pundits or politicians have let on to their populations.

### Security

Europe's security policy will be dictated by her economic needs. This may sound like too broad a statement to be true but it is. Europe's 60 years in America's camp is the result of America's economic assistance during WWII and the closeness the two's economy's have been as a result of that assistance and the cultural ties between the two. These things are changing. The growing Islamification of Europe<sup>17</sup> as well as its dependence on Islamic and Russian energy are going to shift its security policy away from the US. To what degree this happens can not be said with certainty, what can be said is that it will happen sooner or later.

### Unemployment

No need to comment here. People who are not working and cannot find work get angry. In America they sit home and watch the tube (if they still have a home) in Europe they march and demonstrate and sometimes get quite violent.

To tackle these problems requires fresh and nimble policies from monetary authorities.

<sup>17</sup> Don't let anyone tell you that is not what is happening. It is. It is slow real.

This is not possible in many nations who are shackled to the legal constraints of the Euro. While in good times the discipline of the single currency was good, in hard times Nations need to respond to the crisis without the kinds of constraints that the European Monetary System places on them. In short, if there is going to be any real change in Europe, it may start with the Euro. The discipline of the Euro could give way to something no one has seen before and that is a rather frightening thought and currency fluctuations may seem obscure to you and me, but to others they can be devastating.

The threats to the European stability are real but I do not think a break up of the EU is likely but it may change its makeup in other ways in the months and years ahead perhaps quite significantly. Many of its rules will be simply ignored and thrown out during this crisis in order to maintain stability and the Union that many feel is imperative for their future plans in globalization. Some will be rewritten but whenever these things happen the potential for more contentions and acrimony grow.

## ***Spiritual Review***

*Hear ye this word which I take up against you, even a lamentation, O house of Israel. The virgin of Israel is fallen; she shall no more rise: she is forsaken upon her land; there is none to raise her up. For thus saith the Lord GOD; The city that went out by a thousand shall leave an hundred, and that which went forth by an hundred shall leave ten, to the house of Israel. For thus saith the LORD unto the house of Israel, Seek ye me, and ye shall live: But seek not Bethel, nor enter into Gilgal, and pass not to Beersheba: for Gilgal shall surely go into captivity, and Bethel shall come to nought. Seek the LORD, and ye shall live; lest he break out like fire in the house of Joseph, and devour it, and there be none to quench it in Bethel. Ye who turn judgment to wormwood, and leave off righteousness in the earth, Seek him that maketh the seven stars and Orion, and turneth the shadow of death into the morning, and maketh the day dark with night: that calleth for the waters of the sea, and poureth them out upon the face of the earth: The LORD is his name:  
(Amo 5:1-8)*

## **America's Descent.**

Despite the enormous hopes that Americans have for the future based on an illusory change in power in Washington, there is little reason for it. America's ethical, moral and spiritual condition are in a sorry state. America still has the strongholds of satanic deceit in their minds and with each passing day, move further and further away from the God who blessed us into the greatest, richest and most powerful nation the world has ever seen. I am struck by the level of hope that folks have without any concrete idea of what America is and is doing to real people here and abroad. I hear people say that they hope Obama can fix this economy. I usually am forced to nod in agreement, hoping for the same, but because I have a more thorough understanding the nature of the problem, I tend to remain silent (except here on the site). I know that there is little hope for a number of reasons. Americans are too used to having it all and do not understand where it 'all' comes from and the real cost of having it, economically and spiritually. This is especially true with the method of such acquisition are not honorable or at times downright evil.

America has made a bed of sorrow and does not realize that almost every living American to some degree is going to have to not only lay in it, but in many cases will be 'strapped' to that bed for the rest of their days. In short this crisis, despite the Presidents fine words a few weeks ago, is going to stay with us for a long time There will be no recovery for many, many years if ever.

*"We will rebuild, we will recover, and the United States of America will emerge stronger" -  
President Barack Obama, State of the Union Address 24 Feb 2009*

Fine words and I never doubted Obama's ability to deliver great speeches and inspire people. He is very good at it.

But a recovery, I am sorry to say, is not going to happen, not the kind people think is coming where things go back to where they were. That view may be too pessimistic for many of you, but then so were many of my views four years ago when I started by Coming Economic Depression series. In the secular I can say there is no engine to drive growth or a recovery and his ideas for new technology and alternative fuels sounds good but there is no meat behind the words. Which technologies? Do they work? How will we deploy them? Can we export them? These are direct questions that require direct answers.

In the spiritual, modern America and Americanism are odious to God and even if we find a way out, God will ensure our efforts come to naught as our blessings will become curses. These views are not popular. They will not win me (or others who hold them) a place at the next 'Prophets for Profit' conference nor will they win me kudo's in Governmental circles as many already see me as a kind of 'brilliant religious lunatic'. Well, I have walked with Christ for a long time and know this. God hates evil and that which is evil will not stand. Our nation has gone from one that was essentially good to one that is completely evil. From crime statistics, to or incessant military violence, to our sexual wantonness, to our love of lies and pleasure. America is little more than a modern day Sodom and Gomorrah. Yes there are some bright spots here and there, but America is a spiritual disaster waiting to happen. Perhaps the word cataclysm is more in keeping with what I see coming to the US. It is America's own fault. It is the people of America's own fault. They did whatever they wanted to do. Many mocked God openly. They blasphemed his name and laughed at those who warned America of her wicked ways and increasingly attacked Christians and the Churches for holding their moral and spiritual ground. This is no different from what happened in Sodom.

*But before they lay down, the men of the city, even the men of Sodom, compassed the house round, both old and young, all the people from every quarter: And they called unto Lot, and said unto him, Where are the men which came in to thee this night? bring them out unto us, that we may know them. And Lot went out at the door unto them, and shut the door after him, And said, I pray you, brethren, do not so wickedly. Behold now, I have two daughters which have not known man; let me, I pray you, bring them out unto you, and do ye to them as is good in your eyes: only unto these men do nothing; for therefore came they under the shadow of my roof. And they said, Stand back. **And they said again, This one fellow came in to sojourn, and he will needs be a judge: now will we deal worse with thee, than with them. And they pressed sore upon the man, even Lot, and came near to break the door.***

*(Gen 19:4-9)*

The Sodomites did not like Lot telling them that what they were doing was wrong. They got angry and set about to attack him. The same things are going on here in America. The 'gay' protests in California had protesters shouting profanities at the Church, smearing feces on the buildings and generally acting about as ugly as people can act.

This is the spirit of Sodom. I want to point out to you a very import part of this scripture that is often ignored. “*even the men of Sodom, compassed the house round, **both old and young, all the people from every quarter***”. Their were

old and young sodomites and they were in every part of the City. They were violent, perverted and God had had enough. As I have said before to my readers and say now for the benefit of those who have not heard me say this, For a long time archaeologists had no way of really knowing if Sodom really existed. Some took to mocking the story claiming the city never really existed. Later archaeological discoveries showed that it in fact did exist but was DESTROYED SO THOROUGHLY that there is no trace of it its buildings or people. This needs to be said now as well, Homosexuality while a grave sin in God's eyes is not worse than adultery. In fact, it is probably worse. I want to stress this now to each and every person reading this. God is not a pansy. You can anger him to such a point that he will *obliterate you* and put you in a place of unspeakable horror to remain throughout all eternity of eternities. Never, ever mistake God's richness in mercy and love for weakness and gullibility.

The things America is doing now will bring a curse on a nation, state or city. There are many other things that can and will bring a divine curse on us as well. The violence of our cities is another.

*Wherefore thus saith the Lord GOD; Woe to the bloody city, to the pot whose scum<sup>18</sup> is therein, and whose scum is not gone out of it! bring it out piece by piece; let no lot fall upon it.*  
(Eze 24:6)

*Therefore thus saith the Lord GOD; Woe to the bloody city! I will even make the pile for fire great.*  
(Eze 24:9)

*Woe to the bloody city! it is all full of lies and robbery; the prey departeth not;*  
(Nah 3:1)

Americanism has too much 'scum' in it. I am watching our government considering forcing (compelling) doctors to commit the sin of Abortion and Obama's money for overseas Abortion will eventually wind up with those who force (as in compel) women to have abortions. Obama appears to be seriously considering telling doctors that they must perform them, despite any objections they may have. Doctors take an oath to do no harm and now the law may soon command them to kill. In addition to this **abomination**, our New President is

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18 H2457 תלואה chel'ah khel-aw' - From H2456; properly *disease*; hence *rust*: - scum.

Eze 24:6 - scum--not ordinary, but poisonous scum, that is, the people's all-pervading wickedness. - Jamison, Fausset & Brown Commentary

seriously considering using human embryo's for human experimentation. Not just using them, but *making a production line of embryo's* for this macabre Frankensteinian scientific undertaking. Scientific-Occultism (the new American religion) is replacing God and man now wants to play God with his interference in life processes. How are these embryo's harvested? What other secret, diabolical research is also going to be conducted on them far away from the public eye? The President isn't talking about it. Scientific research it appears is going to be Obama's 'Holy Grail' as he sees the potential for 'economic growth' in industries of this kind and seems fully determined to drive the nation far, far away from God with his actions, though he wants American pastors to support him in all he does, even though warfare, murder (abortion) and scientific experimentation on Human material look more and more to be the watchwords of his administration. He is keeping up the long tradition of American Presidents and their secret mantra. Death is profitable.

All of these things come with a curse. Man thinks he knows what he is doing. He cannot even control his financial markets, now he thinks he is smart enough to mess with the fabric of life. The only thing that will come from this is disease, and new ways to weaponize genetics. Research is showing these stem cells are not even necessary and as I told my readers some time ago, human cloning<sup>19</sup> is [already a reality](#).

No, Sadly Obama is not doing right. He has fallen for the religion of anti-Christ and has become a tool in the building of his kingdom. I know statement is going to offend a great many readers. But I have never been fooled by Obama, yes I like him, yes, I like many of the things he is doing, but I see a spiritual darkness around him and I see the office of the Presidency becoming something that will change him and change him for the worse. Up until now his focus has been the economy but some kinds of economic growth come with a higher price than advertised.

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Yet when one looks at the idea of an economic breakdown and the concomitant political, social and spiritual chaos that will ensue one cannot help but see the signs of increasing surveillance and that old 'iron fist' hidden away in the velvet glove is ever more present in American society. America's true god, the prince of

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<sup>19</sup> Along with this, I strongly suspect Human genetic enhancement. Those of you who remember the old Star Trek episode with Ricardo Montalban '[Space Seed](#)' know the kinds of things I am talking about. The Nazi's tried the same thing in their [Lebensborn program](#). Please do not laugh, this stuff is not longer science fiction, it is science fact.

darkness, is increasing his control over his children. Americans, as in the passage above have gone after other gods. They have gone to their spiritual Bethel's<sup>20</sup> and Gilgal's<sup>21</sup>, not knowing that they have forsaken the LORD. They are as those in the Prophet Amos' book who...

*They hate him that rebuketh in the gate, and they abhor him that speaketh uprightly. - (Amo 5:10)*

Today, point out the things of God, or even the obvious truths about our nation and you will get people avoiding you, turning away from you and even hating you. This is what is happening here in America. It happened once before when a people turned on God.

*Forasmuch therefore as your treading is upon the poor, and ye take from him burdens of wheat: ye have built houses of hewn stone, but ye shall not dwell in them; ye have planted pleasant vineyards, but ye shall not drink wine of them. For I know your manifold transgressions and your mighty sins: they afflict the just, they take a bribe, and they turn aside the poor in the gate from their right. Therefore the prudent shall keep silence in that time; for it is an evil time.  
(Amo 5:11-13)*

Yes, there is a time to be silent and a time to speak. There is a time to cry out about the evils of the times and a time to remain quiet. These are the days of America's manifold transgressions and her abundant sins and made manifest for all who love God to see. I will not recount them here as Watson's Web has talked about them at length throughout the site. America has no intention of changing her ways, the only thing America seems to care about now is her money. Americans did not vote Obama into office because of the wars, our killing sprees, our torture, our thefts, or distaste for America's sexual immorality, Americans put Obama in there because of the 'economy', (i.e. their money). There is fear out there. God has allowed massive fires, horrific droughts to plague the

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<sup>20</sup> (see Amos 5:5) Israel pretended to seek God in Bethel. Amos sets the two seeking, as incompatible. The god, worshiped at Bethel, was not the One God. To seek God there was to lose Him. "Seek not God," he would say, "and a phantom, which will lead from God." - [Barnes](#)

There was one of Jeroboam's golden calves, and at Gilgal were carved images; both were places in which idolatry was triumphant. The prophet shows them that all hope from those quarters is utterly vain; for Gilgal shall go into captivity, and Beth-el be brought to naught. There is a play on - [Clarke](#)

<sup>21</sup> *All their wickedness is in Gilgal: for there I hated them: for the wickedness of their doings I will drive them out of mine house, I will love them no more: all their princes are revolvers. - (Hos 9:15)*

nation in the hopes we could change. We have not and probably will not. Look at our nation and tell me that God can let her continue in her current state. Let me say this as well to my secular readers, if there is no God, America has nothing to worry about, if there is, America can count on a horrible day of reckoning for her evils. Her enemies are not just in the desert citing the Koran, nor in the Kremlin's secret services. Her enemy now resides in Heaven and has a recompense for what she has done, often blasphemously claiming to have done those things in his name.

*The fool hath said in his heart, **There is no God. They are corrupt, they have done abominable works, there is none that doeth good.** The LORD looked down from heaven upon the children of men, to see if there were any that did understand, and seek God. They are all gone aside, they are **all together become filthy**: there is none that doeth good, no, not one. Have all the workers of iniquity no knowledge? who eat up my people as they eat bread, and call not upon the LORD.*

(Psa 14:1-4)

In America there are an increasing number of fools who do not know that their day of reckoning is very much sooner than they think. Tell them and they will laugh at you... long, hard and often while all of the signs of America's looming tribulation are staring them in the face.

## What To Do

I want to close by telling my readers who love Christ that this is not a time for panic. Panic is not faith. Faith, obedience (to Christ Jesus) and love will get you through this crisis. God knows how to look out for *his* people. God will protect *his* people from and through the chastisement that is coming, provided they are walking with him in faith and obedience. That does not mean that we will not experience any hardship, but that God will see us through it and bring a blessing upon us even in the midst of trouble. There is a small remnant of true believers who are not just faking a walk with Christ. They are for real, have counted the cost and are determined to serve Christ and get into the Kingdom, no matter what. Our job is not so much to figure out how sustain ourselves but to always ensure that we are in God's will. When we are, he will put us exactly where he wants us, though I must warn you, that may not be where you thought you would be or even wanted to. I never thought I would be doing what I do now, though many, many years ago, the Lord would speak to me often that I would be dealing in

Bible Prophecy. No he did not say I would be a 'prophet' but that he would use my unique skills to assist others to see what it is God wants them to see in light of God's already revealed Prophetic Word. I followed God's leading and stood many a criticism and ostracism for many of the decisions I had to make in my life, especially career ones. Often, most folks I knew did not understand them. But I knew that some of the jobs I held in the past would land me far away from the righteousness that God demands (this is not an option) of his children. I knew some sacrifices had to be made and made them. *None of these were easy*, but I learned this through these troubles: I learned that my God would always be there for me, if I obeyed and trusted him. I also learned who my friends really were, which were really of God and which were just paying lipservice to him. It was and is strange to see how at times those who knew not Christ seemed to understand more than those who said they were Christians.

It was in these times I began to understand why it is so many people disliked Christians and that people who never knew Christ were hungry for God's truth but found Christians to be insincere at best about their religion or hypocrites at worst. I think that is one of the biggest problems today with American Christianity. It is the negative witness we as Christians give to the world. What I did back then inspired many who did not know Christ because they knew I was for real. My faith was no front, I was never a 'bible basher, but always did my best to be honest, honorable and true.

I say this to exhort my Christian readers to remember in the times of a trial coming, people will be watching how you live. They will be hungry for the answers to their personal travails and when someone really loves God, their behavior shows it. It is that light that will draw many to the Christ in you or drives away those who love darkness and its evil works.

We Christians have job to do. Not just 'preach' to word, but live it. Not just with a bible verse in every thing we say but in a love, humility, honesty and a holy righteous character that is truly an anachronism in 21<sup>st</sup> Century America.

I exhort all of who who love Christ to love the brethren, bless your enemies and curse them not and to abstain from **all forms** of violence, which will be a major temptation for many. Do you really want to stand before Christ with the blood of your brother on your hands?

I don't.

Finally, get rid of the arrogance and sense of entitlement that reigns supreme in America. Get rid of the arrogance that typifies Americans. What does God think about pride? He

does not like it. I will close this seasons PESR with all of the verses in the Psalms and Proverbs on pride so you can understand exactly what Pride is all about and why being a true Christian and being arrogant is impossible.

*The wicked in his pride doth persecute the poor: let them be taken in the devices that they have imagined.*

*(Psa 10:2)*

*The wicked, through the pride of his countenance, will not seek after God: God is not in all his thoughts.*

*(Psa 10:4)*

*Thou shalt hide them in the secret of thy presence from the pride of man: thou shalt keep them secretly in a pavilion from the strife of tongues.*

*(Psa 31:20)*

*Let not the foot of pride come against me, and let not the hand of the wicked remove me.*

*(Psa 36:11)*

*For the sin of their mouth and the words of their lips let them even be taken in their pride: and for cursing and lying which they speak.*

*(Psa 59:12)*

*Therefore pride compasseth them about as a chain; violence covereth them as a garment.*

*(Psa 73:6)*

*The fear of the LORD is to hate evil: pride, and arrogancy, and the evil way, and the froward mouth, do I hate.*

*(Pro 8:13)*

*When pride cometh, then cometh shame: but with the lowly is wisdom.*

*(Pro 11:2)*

*Only by pride cometh contention: but with the well advised is wisdom.*

*(Pro 13:10)*

*In the mouth of the foolish is a rod of pride: but the lips of the wise shall preserve them.*

*(Pro 14:3)*

*Pride goeth before destruction, and an haughty spirit before a fall.*  
*(Pro 16:18)*

*A man's pride shall bring him low: but honour shall uphold the humble in spirit.*  
*(Pro 29:23)*

May God bless all who read this with wisdom and understanding.

*Mark S. Watson*

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